



Jim Doyle
Governor

Helene Johnson
Secretary

State of Wisconsin
Department of Health and Family Services

DIVISION OF HEALTH CARE FINANCING

1 WEST WILSON STREET
P O BOX 309
MADISON WI 53701-0309

Telephone: 608-266-8922
FAX: 608-266-1096
TTY: 608-261-7798
www.dhfs.state.wi.us

**HEARING INSTRUMENT SPECIALIST
TERMS OF REIMBURSEMENT**

The Department will establish maximum allowable fees for all covered hearing aid dispensing services, equipment, and supplies provided to Wisconsin Medicaid recipients eligible on the date of service. The maximum allowable fees shall be based on various factors, including a review of usual and customary charges submitted to Wisconsin Medicaid, the Wisconsin State Legislature's Medicaid budgetary constraints, and other relevant economic limitations. Maximum allowable fees may be adjusted to reflect reimbursement limits or limits on the availability of federal funding as specified in federal law.

All providers dispensing hearing aids and hearing aid supplies will be reimbursed by Wisconsin Medicaid up to the maximum allowable dispensing fee plus the lesser of the provider's net cash outlay, defined as the manufacturer's invoice cost including end-of-month volume discounts, or the Medicaid maximum allowable fee, for the materials and supplies purchased. Wisconsin Medicaid reimbursement, less appropriate copayments and payments by other insurers, will be considered to be payment in full.

Hearing Aid Package

The purchase of a hearing aid package, including, but not limited to, a hearing aid, ear mold, cord, and one package of batteries, shall be reimbursed based on the lesser of the maximum allowable fee established by the Department, or the manufacturer's invoice cost including end-of-month volume discounts. The provider is required to bill his or her manufacturer's actual invoice cost including end-of-month volume discounts. That amount is considered by the Department as the net cash outlay or the actual cost to the provider to permit the provider to fully recover out-of-pocket cost for the purchase of the hearing aid package furnished to Wisconsin Medicaid recipients.

Hearing Aid Accessories and Dispensing Fees

Providers are required to bill their usual and customary charges for covered services on each claim for hearing aid accessories and for the dispensing of a hearing aid. The usual and customary charge is the amount charged by the provider for the same service when provided to non-Medicaid patients. For providers using a sliding fee scale for specific services, the usual and customary charge is the median of the individual provider's charge for the service when provided to non-Medicaid patients.

Applicable Provider Type(s): 36, 37, 84

Effective Date: March 1, 2003
Renewed: March 1, 2003

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Hearing aid accessories which are not a part of the initial hearing aid package will be reimbursed based on the lesser of the maximum allowable fee established by the Department or the provider's usual and customary charge.

The dispensing fee is reimbursed based on the lesser of the maximum allowable fee established by the Department or the provider's usual and customary charge. The dispensing fee includes the following services:

1. Initial office visit, ear mold impression, and fitting of the proper hearing aid,
2. A one-year service guarantee and any necessary service, and
3. Up to five post-fittings and follow-up visits as necessary for adjustments and hearing aid orientation.

The Department will adjust payments made to providers to reflect the amounts of any allowable copayments which the providers are required to collect pursuant to ch. 49, Wis. Stats.

Payments for deductible and coinsurance payable on an assigned Medicare claim shall be made in accordance with s. 49.46(2)(c), Wis. Stats.

In accordance with federal regulations contained in 42 CFR Part 447.205, the Department will provide public notice in advance of the effective date of any significant proposed change in its methods and standards for setting maximum allowable fees for services.